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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE

Michigan Employment Security Commission

Jobless Rate Shows Slight Increase

Unemployment in Michigan edged upward for the first time in five months as the jobless rate increased from 13.1 percent in July to 13.4 percent in August. The rate represents 586,000 unemployed individuals, approximately 11,000 more than the total of a month ago. The slight rise in joblessness was primarily a result of scattered layoffs in education and manufacturing cutbacks due to automotive model changeover. Total employment in August fell by 45,000 to 3,784,000, down from last month when 3,829,000 workers were employed. Michigan's total work force decreased by 34,000 to 4,370,000 during the month as unsuccessful job seekers and summer job holders began leaving the labor force. Compared with a year ago, employment in Michigan has increased by 64,000 while the size of the civilian labor force has expanded by 17,000. In August 1982, the total number of persons out of work amounted to 633,000, representing an unemployment rate of 14.5 percent.

Payroll Employment Down

Nonagricultural wage and salary employment in Michigan edged downward for the second consecutive month. In August, approximately 21,100 employment opportunities were eliminated as job losses were evident in all three sectors of the economy. Private nonmanufacturing employment experienced the greatest job decline as total jobs within the sector fell by 14,300 to 1,733,600. Nearly 16,700 positions were lost due to the labor dispute within the transportation, communication and utilities industry, however, the strike has since been settled and most of the jobs have been recovered. Total manufacturing jobs decreased slightly by 1,700 as small gains among several goods-producing industries were offset by large losses in the transportation industry. Public sector positions also showed a decrease, as 5,100 governmental positions were eliminated over the month. Local units of government experienced the largest drop in employment as 7,200 positions were cut due to the ending of some Summer Youth Corp jobs. Since August 1982, 9,900 total employment opportunities have been added primarily due to the Governor's youth program. Public sector employment has increased by 28,300 over the year, while manufacturing jobs have climbed by 4,400.

Civilian Labor Force, Employment and Unemployment Estimates

August, 1983 (Preliminary)

Area	Civilian Labor Force	Total Employment	Unemployment Number	Unemployment Rate
Michigan	4,370,000	3,784,000	586,000	13.4%
Ann Arbor-Ypsilanti	142,600	127,400	15,200	10.7
Battle Creek SMSA	84,200	74,100	10,100	12.0
Bay City-SMSA	54,600	46,500	8,100	14.8
Benton Harbor-SMSA	71,000	61,200	9,800	13.8
Detroit	2,006,900	1,720,400	286,500	14.3
Flint-SMSA	229,000	193,500	35,500	15.5
Grand Rapids SMSA	338,600	302,100	36,500	10.8
Jackson-SMSA	65,400	55,800	9,600	14.7
Kalamazoo-Portage SMSA	138,000	123,800	14,200	10.3
Lansing-East Lansing-SMSA	247,500	222,500	25,000	10.1
Muskegon-Norton Shores-Muskegon Heights SMSA	80,800	68,600	12,200	15.1
Saginaw-SMSA	99,700	87,000	12,700	12.7
Upper Peninsula LMA	147,800	128,400	19,400	13.1

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

Item	Aug. 1983	July 1983	June 1983	Aug. 1982
PLACE OF RESIDENCE				
Civilian Labor Force	4,370.0	4,403.7	4,421.0	4,353.0
Employment	3,784.0	3,828.9	3,773.0	3,720.0
Unemployment	586.0	574.8	648.0	633.0
Rate	13.4%	13.1%	14.7%	14.5%
PLACE OF WORK				
Wage and Salary Employment	3,163.7	3,184.8	3,193.2	3,153.8
Manufacturing	870.5	872.2	874.2	866.1
Durables	668.7	672.2	673.5	669.0
Lumber & Wood Products	11.2	10.5	10.5	9.2
Furniture & Fixtures	20.8	20.6	20.3	21.8*
Metals	151.7	148.7	151.0	147.9
Primary Metals	46.3*	46.0	46.5	46.9
Fabricated Metals	105.4*	102.7	104.5	101.0
Nonelectrical Machinery	113.6	115.1	115.5	125.8
Electrical Machinery	26.8*	29.1	29.2	29.4
Transportation Equipment	311.4	315.6	313.9	300.6
Motor Vehicles & Equip.	293.6*	297.8	296.3	283.9
Other Transportation Equip.	17.8	17.8	17.6	16.7
Other Durables	33.2	32.6	33.1	34.3
Nondurables	201.8	200.0	200.7	197.1
Food & Kindred Products	50.3	49.5	47.7	50.9
Textiles & Apparel	19.1	18.5	19.4	17.6
Paper & Allied Products	21.0	21.0	21.3	20.5
Printing & Publishing	32.0	31.8	32.3	31.1
Chemicals & Petroleum	44.9	45.1	44.9	45.4
Other Nondurables	34.5	34.1	35.1	31.6
Nonmanufacturing	1,733.6	1,747.9	1,744.8	1,756.4
Construction	96.8	96.6	93.7	101.8
Trans., Commun., & Utilities	121.5*	138.2	138.6	141.0
Wholesale Trade	145.0	146.2	143.8	148.8
Retail Trade	544.4	542.2	546.0	543.3
Finance, Real Estate & Ins.	152.6	152.7	152.2	152.7
Services	662.3	661.4	659.8	658.4
Mining	11.0*	10.6	10.7	10.4
Government	559.6	564.7	574.2	531.3
Federal	57.1	58.3	58.1	58.5
State	136.9	133.6	138.7	126.9
Local	365.6	372.8	377.4	345.9
Workers Involved in Labor Disputes	16.3	1.2	1.0	2.9

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1982 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program — March 1982 Benchmark.

Claims Activity

In August, the number of individuals collecting regular unemployment benefits in Michigan increased for the first time since January 1983. The regular benefit claims load averaged 129,950 per week in August, approximately 1,670 or 1.3 percent higher than the previous month. The additional claim activity was attributed to the seasonal occurrence of model changeover in the automotive industry. In August 1982, the number of claimants drawing regular benefits averaged 231,700 per week. Under the Federal Supplemental Compensation (FSC) program, the number of individuals collecting benefits fell by 18,295 or 21 percent. This marked the third consecutive month that supplemental benefits have declined. Michigan's extended unemployment benefit program triggered off on May 21, 1983, thereby disqualifying claimants from receiving extended benefit payments.

Weekly Claims for Unemployment Insurance

Week Ending	Regular Program			Federal Supplemental Compensation		
	Total	Initial	Cont'd	Total	Initial	Cont'd
August 6, 1983	141,800	22,900	118,900	72,100	4,800	67,300
August 13, 1983	138,100	14,800	123,300	70,400	4,600	65,800
August 20, 1983	125,600	13,900	111,700	67,200	4,100	63,100
August 27, 1983	114,300	15,500	98,800	58,300	3,800	54,200

Modest Price Increase

The cost of living in the Detroit metropolitan area inched upward as the Consumer Price Index totaled 298.8 points in August. The four-tenths of a point rise in Detroit area prices was primarily the result of increased apparel, transportation and medical care costs. Prices in the area rose by 2.1 percent since August 1982 when the Consumer Price Index stood at 292.7.

At the national level, consumer prices rose at a slightly faster rate as the cost of living index rose by one full point to 300.3. The national increase reflected Detroit area trends as apparel and transportation costs were the main reason for the rise in proces. Over the past year, national consumer prices have risen by 2.6 percent. In August 1982 the U.S. Consumer Price Index stood at 292.8.

Hours and Earnings

In manufacturing industries, the average workweek of Michigan production workers increased slightly from 42.1 in July to 42.2 in August. This was a result of a jump in the weekly hours worked by individuals in the nonelectrical machinery industry. The average hourly earnings of manufacturing production workers fell by 14 cents to $11.52 while average weekly earnings decreased by $5.11 to total $485.88. In August 1982, earnings averaged $11.17 an hour or $447.94 per week for a 40.1 hour workweek.

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Aug. 1983	July 1983	Aug. 1982	Aug. 1983	July 1983	Aug. 1982	Aug. 1983	July 1983	Aug. 1982
TOTAL MANUFACTURING	**$11.52**	**$11.66**	**$11.17**	**42.2**	**42.1**	**40.1**	**$485.88**	**$490.99**	**$447.94**
DURABLE GOODS	12.02	12.17	11.64	42.3	42.5	39.9	508.61	517.23	464.39
Primary Metal Products	11.98	12.12	12.19	41.7	41.2	39.8	499.92	499.58	485.52
Fabricated Metal Products	11.21	11.34	10.71	42.2	41.5	39.3	472.72	471.04	420.48
Nonelectrical Machinery	11.68	11.72	11.44	41.9	40.6	39.3	489.03	476.18	449.50
Electrical Machinery	10.22	9.94	9.74	42.5	41.5	40.3	434.21	411.96	393.02
Motor Vehicles & Equip.	13.36	13.50	12.96	42.9	44.3	40.3	573.60	598.25	522.76
NONDURABLE GOODS	9.79	9.77	9.51	41.6	40.8	40.9	407.71	398.06	388.60
Contract Construction	14.07	14.23	14.14	37.6	37.7	38.0	528.37	536.76	537.31
Department Stores	6.13	6.13	5.81	29.9	30.0	31.8	183.08	183.63	184.76

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

Labor Surplus Areas Eligible for Federal Procurement Preference From October 1, 1983 through September 30, 1984

Eligible Labor Surplus Areas	Political Jurisdiction(s) Included
Alcona County	Alcona County
Alger County	Alger County
Allegan County	Allegan County
Alpena County	Alpena County
Antrim County	Antrim County
Arenac County	Arenac County
Baraga County	Baraga County
Barry County	Barry County
Battle Creek City	Battle Creek City in Calhoun County
Bay County	Bay County
Benzie County	Benzie County
Berrien County	Berrien County
Branch County	Branch County
Calhoun County, Balance of	Calhoun County, less Battle Creek City
Cass County	Cass County
Charlevoix County	Charlevoix County
Cheboygan County	Cheboygan County
Chippewa County	Chippewa County
Clare County	Clare County
Clinton County	Clinton County
Clinton Township	Clinton Township in Macomb County
Crawford County	Crawford County
Dearborn Heights City	Dearborn Heights City in Wayne County
Delta County	Delta County
Detroit City	Detroit City in Wayne County
Dickinson County	Dickinson County
Eaton County, Balance of	Eaton County less Lansing City
Emmet County	Emmet County
Farmington Hills City	Farmington Hills in Oakland County
Flint City	Flint City in Genesee County
Genessee County, Balance of	Genesee County less Flint City
Gladwin County	Gladwin County
Gogebic County	Gogebic County
Grand Rapids City	Grand Rapids City in Kent County
Grand Traverse County	Grand Traverse County
Gratiot County	Gratiot County
Hillsdale County	Hillsdale County
Houghton County	Houghton County
Huron County	Huron County
Ionia County	Ionia County
Iosco County	Iosco County
Iron County	Iron County
Jackson County	Jackson County
Kalamazoo City	Kalamazoo City in Kalamazoo County
Kalkaska County	Kalkaska County
Keweenaw County	Keweenaw County
Lake County	Lake County
Lansing City	Lansing City in Ingham and Eaton Counties
Lapeer County	Lapeer County
Leelanau County	Leelanau County
Lenawee County	Lenawee County
Livingston County	Livingston County
Luce County	Luce County
Mackinac County	Mackinac County
Macomb County, Balance of	Macomb County less Clinton Township, Roseville City, St. Clair Shores City, Sterling Heights City, Warren City
Manistee County	Manistee County
Marquette County	Marquette County
Mason County	Mason County
Mecosta County	Mecosta County
Menominee County	Menominee County
Midland County	Midland County
Missaukee County	Missaukee County
Monroe County	Monroe County
Montcalm County	Montcalm County
Montmorency County	Montmorency County
Muskegon County	Muskegon County
Newaygo County	Newaygo County
Oakland County, Balance of	Oakland County less Farmington Hills City Pontiac City, Royal Oak City, Southfield City, Troy City, Waterford Township
Oceana County	Oceana County
Ogemaw County	Ogemaw County
Ontonagon County	Ontonagon County
Osceola County	Osceola County
Oscoda County	Oscoda County
Otsego County	Otsego County
Pontiac City	Pontiac City in Oakland County
Presque Isle County	Presque Isle County
Roscommon County	Roscommon County
Roseville City	Roseville City in Macomb County
Royal Oak City	Royal Oak City in Oakland County
Saginaw City	Saginaw City in Saginaw County
Saginaw County, Balance of	Saginaw County less Saginaw City
St. Clair County	St. Clair County
St. Clair Shores City	St. Clair Shores City in Macomb County
St. Joseph County	St. Joseph County
Sanilac County	Sanilac County
Schoolcraft County	Schoolcraft County
Shiawassee County	Shiawassee County
Southfield City	Southfield City in Oakland County
Sterling Heights City	Sterling Heights City in Macomb County
Taylor City	Taylor City in Wayne County
Tuscola County	Tuscola County
Van Buren County	Van Buren County
Warren City	Warren City in Macomb County
Washtenaw County, Balance of	Washtenaw County less Ann Arbor City
Waterford Township	Waterford Township in Oakland County
Wayne County, Balance of	Wayne County less Dearborn City, Dearborn Heights City, Detroit City, Livonia City, Redford Township, Taylor City, Westland City
Westland City	Westland City in Wayne County
Wexford County	Wexford County

Source: Michigan Employment Security Commission — Bureau of Research and Statistics

[redacted]

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